


## Detailed analysis of accumulated losses

(If the accumulated losses 50% and above of the company's capital)

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market, and whose accumulated losses amount to (20%) or more of their paid-up capital. Listed Companies are required to comply with the provisions of the decision as soon as their accumulated losses reach (50%) or more of their paid-up capital.

<b>Date:</b>	11 February 2026
<b>Name of the Listed Company:</b>	Ithmaar Holding B.S.C.
<b>Define the period of the financial statements:</b>	Q4 2025
<b>Value of the Accumulated losses:</b>	USD 827.64 million
<b>Accumulated losses to paid-up capital ratio (%):</b>	109%
<b>The main reasons for accumulated losses and the period in which these losses began. (Determine the period in which these losses began to appear in the company's financial statements):</b>	<p>The accumulated losses before reorganization amounted to 68.8% of the paid up capital in December 2016. These represented mainly impairment provisions resulting from non-core investments as a result of the financial crises.</p> <p>During 2018, the Company's early adoption of FAS30 (AAOIFI equivalent of IFRS9) resulted in additional impairment provisions and consequently increased the accumulated losses percentage to 98%.</p> <p>During 2020, the accumulated losses increased by \$87.5 million mainly due to the economic impact of Covid-19. During 2021, the accumulated losses decreased by \$35.0 million mainly due to net income attributable to shareholders. During 2022, the accumulated losses increased by \$29.9 million mainly due to net losses attributable to shareholders. During 2023, the accumulated losses increased by \$9.3 million mainly due to net losses attributable to shareholders. During 2024, the accumulated losses decreased by \$9.4 million mainly due to net profit attributable to shareholders. During 2025, the accumulated losses decreased by \$1.01 million mainly due to net profit attributable to shareholders.</p>

<b>Summary of the steps and initiatives undertaken by the company to address the accumulated losses:</b>	<p>The Board of Directors is working on various initiatives to strengthen the Group's consolidated equity and liquidity profile. These initiatives include, amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Cancellation of accumulated losses against share capital</li> <li>• Issuance of additional share capital by way of Rights issue of up to \$100 million to existing shareholders, subject to regulatory and shareholder approvals.</li> <li>• Focusing on recovery of financing exposures by way of sale / realization of underlying collateral.</li> <li>• Development of a restructuring plan (with the assistance of external consultants) to further enhance financial position and support long term value creation.</li> </ul>
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<b>The Name of the Authorized Signatory</b>	<b>Saqib Mustafa</b>
<b>Designation</b>	<b>Chief Financial Officer</b>
<b>Signature and Date</b>	<b>11 February 2026</b> 
<b>Company's Seal</b>	